

# KLDC

## KINGSTON LOCAL DEVELOPMENT CORPORATION

*Hon. Shayne R. Gallo, President*

*Jennifer J. Fuentes, Executive Director*

*Brenna L. Robinson, Portfolio Manager*

### MEMORANDUM

BOARD OF DIRECTORS - KINGSTON LOCAL DEVELOPMENT CORPORATION  
JAMES NOBLE, CITY OF KINGSTON ALDERMAN AT LARGE  
CARLY WILLIAMS, CITY CLERK  
JENNIFER J. FUENTES, KLDC EXECUTIVE DIRECTOR / COMMUNITY DEVELOPMENT EXECUTIVE  
AMANDA L. BRUCK-LITTLE, KLDC RECORDING SECRETARY / ADMINISTRATIVE ASSISTANT  
BRENNAL. ROBINSON, KLDC PORTFOLIO MANAGER, ED COORDINATOR / ZONE COORDINATOR EZ  
GREGG H. SWANZEY, DIRECTOR OF ECONOMIC DEVELOPMENT FOR STRATEGIC PARTNERSHIP  
SUZANNE CAHILL, CITY PLANNER  
MICHAEL F. JORDAN, ESQ., COUNSEL KLDC  
DANIEL MARSH III, NATIONAL DEVELOPMENT COUNCIL DIRECTOR  
DAILY FREEMAN, 79 HURLEY AVENUE, KINGSTON, NY 12401  
WKNY, PO BOX 1398, KINGSTON, NY 12402  
WGHQ, 82 JOHN STREET, KINGSTON, NY 12401  
BRIAN JONES, WPHD/WCZX/WEOK/WRRV, PO BOX 416, POUGHKEEPSIE, NY 12602  
POSTMASTER, KINGSTON PO BOX 9998, KINGSTON, NY 12402-9998

**FROM:** SHAYNE R. GALLO, MAYOR/PRESIDENT OF KLDC BOARD OF DIRECTORS

**RE:** KINGSTON LOCAL DEVELOPMENT CORPORATION BOARD MEETING

Please be advised that a meeting of the Kingston Local Development Corporation will be held at **8:00 a.m., Thursday, October 18, 2012**. Said meeting will be held in the Mayor's Conference Room, City Hall, 420 Broadway, Kingston, NY 12401.

### AFFIDAVIT OF MEETING:

I, Bradley Jordan, Secretary for the Board of Directors of the Kingston Local Development Corporation, did on the **4<sup>th</sup> day of October, 2012** mail this notice to the individuals listed above. Mailing was accomplished by sealing said notice in an envelope and depositing same, with postage thereon, full pre-paid, with the United States Post Office.

  
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BRADLEY JORDAN, SECRETARY

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### **AGENDA**

Thursday, October 18, 2012 @ 8:00 a.m.

1. Call to Order
2. Portfolio Review & Past Due Account Update
3. General Business
4. New Business
3. Committee Reports
4. Approval of Minutes of Previous Meeting
5. Adjournment

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*Hon. Shayne R. Gallo, President*

*Jennifer J. Fuentes, Executive Director*

**October 20, 2012**

**PRESENT:**

BOARD MEMBERS - President Gallo, Vice President Dwyer, Potter, Fitzgerald, Turco-Levin, & Mathews  
KLDC EXECUTIVE DIRECTOR / COMMUNITY DEVELOPMENT EXECUTIVE DIRECTOR - Fuentes  
KLDC RECORDING SECRETARY / ADMINISTRATIVE ASSISTANT - Bruck-Little  
ECONOMIC DEVELOPMENT AND STRATEGIC PARTNERSHIP DIRECTOR - Swanzy  
KLDC PORTFOLIO MANAGER & ECONOMIC DEVELOPMENT COORDINATOR - Robinson  
PLANNING - Cahill  
KLDC COUNSEL - Jordan

**ABSENT:**

BOARD MEMBERS - Secretary Jordan, Treasurer Mills, Rev. Childs & Reinhardt

Meeting was called to order by President Gallo at 8:11 am.

Ms. Fuentes handed out copies of loan status reports and told the Board to keep in mind while examining the document is that the most important thing to be looking at is when the last payment was made, not the fact that they may be in arrears as a recent payment shows concerted effort in repayment of their loans. A listing showing the status of all delinquent loans are in the packet.

She also told the Board they needed to begin holding regular committee meetings. Each Board member was given a calendar showing; names of committee members, dates the meetings are to be held and a conference "call in" number so meetings can be held via tele-con. Mr Mathews requested to have email addresses and contact phone numbers of each Board member be circulated amongst all Board members so they could decide on preference of tele-con v. in person. Mr. Mathews also suggested to try and obtain access to a meeting room at Ulster Savings Bank for the first Finance Committee meeting.

Ms. Fuentes told the Board the committees would be responsible for proposed actions and strategies of handling overdue and/or unpaid loans. She said s. Robinson would have reports with specifics for the Finance Committee in time for their first meeting. An example of such would be the BBQ Pit (located on Broadway) had been given a loan a couple of years ago, never actually opened for business and never made repayment on their loan.

**KINGSTON BUSINESS PARK-** Ms Fuentes told the Board there are two expenses that currently need to be addressed. The first is the ongoing issue of overgrowth of weeds and brush. This past summer we had one of our staff, Mike Madsen, go down to the park to do clean up but the reality is that it needs regular maintenance plan. For the current situation, Ms. Robinson with the assistance of the Purchasing Department was able to secure a quote of \$18K. Ms. Robinson then told the Board she received a phone call from HUCK with concerns about the overhanging brush and tree limbs that will most definitely cause problems once they are iced up this winter and they requested having it cleaned up again like it was last year.

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The cost of cleanup last year was \$ 14K but there is more work to be done this year than there was last year. This quote is only the first and just a starting point, we will get at least two more. Last year when the RFP went out, there were only two responses. The first for \$35K and the one the Board chose for \$14K. The current quote involves more work; going further up the road to cut overhanging brush and trees. This same company was asked to provide a quote for maintenance and said two additional visits to the site would be \$4,400. When the RFP is put out, it will also ask for a quote for maintenance in addition to initial scope of work to be done. Mr. Mathews asked if it was possible to either have the City of Kingston BPW or the County to go to the KBP to do the work and then be reimbursed. Ms. Robinson will contact Superintendent Schupp to see if it is possible for the BPW to do any of the work.

Mr. Mathews said he was looking over the budget to be submitted to PARIS for the Public Authorities and was wondering if there was some sort of line item within the KBP to pay for these expenses. Ms. Bruck-Little told the Board that within the KBP account there are various line items and though she did not have actual numbers with her at this meeting, she would be sure to let the Board know what the numbers are.

The Board questioned where the numbers came from that were on the budget and Ms. Fuentes informed them she was not aware of how the previous Director came up with the numbers but what she had put down were the actual numbers shown in the Financial Statements from the year end audit. She told the Board they had at some point voted on the proposed budget that had been submitted but it was based on a proposed budget, not actual budget. She put together the 2013 proposed budget based on the 2011 actual budget. Ms. Potter suggested to hold off submitting the proposed budget as the Board is unaware of how previous budgets were determined and would like to start from scratch. Ms. Fuentes informed the Board the 2011 numbers now reflect the actual numbers and were obtained from the 2011 audit. When submitting the budget to PARIS they are asking for estimated projections a few years out. At this point, 2012 numbers are still based on estimate as the year end audit has not yet been completed. She went over some of the line items and explained why some are significantly different. Mr. Mathews had a couple of inquiries regarding the budget. He asked why there wasn't amount for bad debt for the proposed 2013 budget and why there's a difference from the adopted 2012 to proposed 2013 for other employee benefits in the amount of \$20K. Ms. Fuentes said the additional \$20K was for health benefits. The Board asked if health benefits had been paid by KLDC for employees previously and if that was a shared expense between the different departments (KLDC and Community Development). Salaries are determined by the amount of time spent working for each department and health benefits should be determined that was as well. Ms. Potter has requested a breakdown of salaries for the Board to review.

Ms. Fuentes informed the Board the proposed budget must be submitted by October 31, 2012. The actual budget numbers must be submitted by December 31, 2012. In between the date of submission of the proposed v. actual the following information is to be obtained: bad debts and salaries/wages.

Ms. Fuentes said the finance committee will look over the bad debts and begin making decisions on writing off the bad debts and cleaning up our books.

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Ms. Fuentes informed the Board that there is not yet a formal request, Seven21 Media will be coming forth seeking assistance for an elevator to be put in at 721 Broadway. In order for them to obtain a long term contract with BOCES, they need to be in compliance with the ADA. They have already received assistance through Central Hudson(\$80K) to rewire rooms for satellite communications. The Ellenbogens do not want to put in a lift, they want an actual elevator thus helping to increase the value of their building. Currently the Ellenbogens do not have any personal collateral invested in their loans. The Board agrees they should put up personal guarantees. M. Jordan suggested that if the Board were to entertain their request, there should be some sort of agreement that the KLDC would receive partial payments from their lease contracts.

Ms. Robinson has been working with Kingston B&B on their business plan and as soon as the cost projections have been put together, they will be coming before the Board to submit a loan application. The Board asked if there is bank financing and Ms. Fuentes said she was not sure. The Board mentioned there are criteria for coming to the KLDC and it is as follows: bank financing, personal financing and job creation.

Ms. Fuentes told the Board the subordinations for Casa Villa, Savona's and Colonial Diner have been completed.

Bank of America – changes to the bargaining sale of deed had been made as requested by M. Jordan. The attorney for BOA is away for a short time but once M. Jordan receives the paperwork he will get it to President Gallo for his signature. President Gallo reiterated to the Board concerns he would have with the building having asbestos. President Gallo suggested to the Board there should be testing done to determine how much asbestos is in the building and locations of said asbestos. After lengthy discussion a motion was made by Ms. Potter to have the study/testing done by QUEST and not exceed \$5K. Second by Mr. Fitzgerald. Motion carried.

A motion was made by Ms. Turco-Levin to accept minutes of previous meeting. Second by Mr. Mathews carried.

At 9:38 AM Vice President Dwyer made a motion to adjourn. Second by Mr. Fitzgerald. Motion carried.

Respectively Submitted,



Amanda L. Bruck-Little  
Recording Secretary